



First Financial Bank

in Winnebago

February 3, 2016

Mr. Gerard Poliquin,
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, Virginia 22314-3428

FEB09'16 PM 3:14 BOARD

RE: Proposed Revisions to the NCUA Chartering and Field of Membership Manual, Part 701

Dear Mr. Poliquin:

I am writing to the National Credit Union Administration (NCUA) today to urge you to withdraw the proposal to revise the NCUA Chartering and Field of Membership Manual.

I am president of small bank located in rural Minnesota. We regularly see loans by credit unions that are not located in the local area that make use of the broad membership rules that already exist. The proposed revisions would appear to simply expand their reach further in markets that already have adequate access to credit.

Federal agencies are directed to implement the laws as they are written by Congress. In several important ways, this proposal ignores Congress's express language in the Federal Credit Union Act (FCU Act). As an example, the FCU Act requires a multiple common bond federal credit union to have a service facility within reasonable proximity to any "additional group" added to its field of membership. Congress clearly intended that credit unions with multiple common bonds be able to serve their different membership groups with actual physical credit union locations. The NCUA has ignored with this proposal the Congressional mandate by declaring that online internet channels are included in the definition of a "service facility." Congress, not the NCUA, should make that kind of significant policy change.

It seems incongruous that the rules would be changed to allow the expansion of credit unions given the generous tax advantages provided to them while our government already faces significant fiscal challenges. In addition, given that credit needs are already being met by tax paying entities, there does not seem to be a reasonable case for expansion based on access to credit issues. If anything, the footprint of credit unions should be further limited since they have already met the original policy objective of meeting unmet credit needs.

I urge the NCUA to withdraw the proposed changes to the Field of Membership Manual. Thank you for considering my comments regarding the proposed changes.

Sincerely,

A handwritten signature in blue ink that reads "Bill Erickson".

Bill Erickson
President

Rooted in the Community